GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:648
ANSWERED ON:28.11.2005
EXPANSION OF STEEL PLANTS
Majhi Shri Parsuram

Will the Minister of STEEL be pleased to state:

(a) whether the Government has a proposal for the expansion of some steel plants in the country during the remaining part of Tenth plan and the Forthcoming Eleventh Plan;

(b) if so, the details thereof, plant-wise; and

(c) the funds earmarked therefor ?

Answer

MINISTER OF CHEMICALS & FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a)to(c): Since the steel sector has been delicenced and deregulated, individual steel plants in the private sector are free to take investment decisions for expansion etc. In the public sector, Steel Authority of India Limited (SAIL), a Navratna PSU under the administrative control of Ministry of Steel is competent to take its own investment decisions. It has prepared a Corporate Plan (including IISCO) with a perspective upto 2012, which envisages an expenditure of Rs.35,000 crores. By this, SAIL plans to achieve a growth in production to about 22.5 million tonnes of Hot Metal with commensurate enhancement in production of Crude and Saleable steel. The financing of investment would primarily come from SAIL`s internal resources.

Rashtriya Ispat Nigam Limited (RINL), another public sector steel plant has drawn up an expansion proposal to increase the liquid steel capacity from 3 million tonnes to 6.3 million tonnes with an investment of Rs. 8,692 crores by 2008-09, which would be financed from internal resources of RINL. Recently the Government has accorded its approval for this proposal.